



August 22, 2006

SUBJECT: 2006-0760 - Request to Initiate a General Plan Amendment to Change the Land Use Designation for 174 North Sunnyvale Avenue from Residential Low-Medium Density (RLM) to Residential Medium Density (RMED).

REPORT IN BRIEF

The City received a letter from Dick Smith, the property owner of 174 North Sunnyvale Avenue (see Attachment A), with a request for the initiation of a General Plan Amendment. The subject property is a 35,612 square foot parcel located in the center of the 100 block of North Sunnyvale Avenue. The property owner proposes that the General Plan designation be changed from Residential Low-Medium Density to Residential Medium Density in order to allow subdivision of the lot into a greater number of multi-family units. Under the existing General Plan designation, the allowed density range is 7-14 units per acre, or a maximum of 11 units. The proposed General Plan designation would allow a density range of 14-27 units per acre, or a maximum of 22 units.

If the General Plan is amended, the property owner plans to request a rezoning and subdivision map to construct new multi-family residential units on the lot. Due to the low density character of the surrounding neighborhood, as well as the surrounding General Plan designations, staff recommends that Council not initiate a General Plan Amendment study for the property.

BACKGROUND

The subject site is currently occupied by the Wyant and Smith Funeral Home (mortuary and crematorium), which was approved by the City Council in 1952. The 35,612 square foot property currently has a General Plan designation of Low-Medium Density Residential. The site is in a Low-Medium Density Residential (R-2) Zoning District (See Attachments B and C including General Plan Land Use Map and Zoning Map). In order to convert the site into Residential Medium Density, a General Plan Amendment, Rezoning and Special Development Permit would be required.

The site fronts on North Sunnyvale Avenue and is surrounded on three sides (North, South, and West) by Residential Low-Medium Density. This designation is the same as a majority of the surrounding properties on North Sunnyvale

Avenue, although two parcels have been developed with higher density housing projects in the 1960's and 1970's. To the rear of the property is the Northrop-Grumman (old Hendy Iron Works) site which has a General Plan designation of Industrial to Residential Low-Medium Density (ITR LM).

In 2000, the site was the subject of a Use Permit (2000-0597) to allow a crematorium use at the existing mortuary. At that time, the application met with significant objection from the surrounding residents. In 2000, the Use Permit was approved by the City Council (on appeal from a Planning Commission decision) and in 2001 the cremator was installed at the site.

EXISTING POLICY

According to the Sunnyvale Municipal Code Section 19.92.020, only the City Council is authorized to initiate proceedings to consider an amendment to the General Plan. The Municipal Code requires the City Council to first review a General Plan Amendment initiation request in order to determine if the request warrants further study. The only notice of Council consideration of a General Plan Amendment study is through the posting of the City Council agenda. Nearby property owners and tenants are not notified until a study has been initiated. The approval of an initiation request would allow a formal application to be submitted to further assess the merits of the proposed General Plan Amendment request. The approval of an initiation does not commit the City Council to approve the General Plan Amendment request, nor any specific project proposal. Submittal of a General Plan Amendment and Rezoning applications require payment of fees totaling over \$9,000 and subsequent hearings by the Planning Commission and City Council.

The following General Plan goals, policies and action statements in the Land Use and Transportation Element relate to this proposed General Plan Amendment request:

Land Use and Transportation Element

Policy C1.1: Recognize that the City is composed of residential, industrial and commercial neighborhoods, each with its own individual character; and allow change consistent with reinforcing positive neighborhood values.

Action Statement C1.1.3: Require appropriate buffers, edges and transition areas between dissimilar neighborhoods and land uses.

Goal C2: Ensure ownership and rental housing options in terms of style, size and density that are appropriate and contribute positively to the surrounding area.

Policy C2.1: Provide land use categories for and maintenance of a variety of residential densities to offer existing and future residents of all income levels, age groups and special needs sufficient opportunities and choices for locating in the community.

Policy C2.2: Encourage the development of ownership housing to maintain a majority of housing in the city for ownership choice.

Policy C2.3: Maintain lower density residential development areas where feasible.

Action Statement C2.3.2: Promote and preserve single-family detached housing where appropriate and in existing single-family neighborhoods.

Policy C2.4: Determine appropriate density for housing based on site planning opportunities and proximity to services.

Action Statement C2.4.1: Locate higher density housing with easy access to transportation corridors, rail transit stations, bus corridor stops, commercial services, and jobs.

Goal C4: Sustain a strong local economy that contributes fiscal support for desired city services and provides a mix of jobs and commercial opportunities.

Policy C4.1: Maintain a diversity of commercial enterprises and industrial uses to sustain and bolster the local economy.

Action Statement C4.1.3: Promote commercial uses that respond to the current and future retail service needs of the community.

Policy N1.2: Require new development to be compatible with the neighborhood, adjacent land uses and the transportation system.

Action Statement N1.2.1: Integrate new development and redevelopment into existing neighborhoods.

Action Statement N1.2.2: Utilize adopted City design guidelines to achieve compatible architecture and scale for renovation and new development in Sunnyvale's neighborhoods

Policy N1.4: Preserve and enhance the high quality character of residential neighborhoods.

Action Statement N1.4.1: Require infill development to complement the character of the residential neighborhood.

Goal N1: Preserve and enhance the quality character of Sunnyvale's industrial, commercial, and residential neighborhoods by promoting land opportunities that are supportive of the neighborhood concept.

Policy N1.1: Protect the integrity of the City's neighborhoods; whether residential, industrial or commercial.

Housing and Community Revitalization Sub-Element

Goal A: Foster the expansion of the housing supply to provide greater opportunities for current and future residents within limits imposed by environmental, social, fiscal and land use constraints.

Action Statement A.1.d: Study increasing the density of residential areas near transit stops and along major transportation corridors in conjunction with regional transportation plans.

Policy A.2: All new residential developments should build at least 75 percent of permitted zoning density.

Fiscal Sub-Element

Goal 7.1A: Revenue: Maintain and enhance the City's revenue base.

Policy 7.1A.1: Revenue base: Maintain a diversified and stable revenue base for the City.

DISCUSSION

The applicant is proposing to change the General Plan designation from Residential Low-Medium Density to Residential Medium Density to allow for greater density at the site. The applicant proposes to remove the existing funeral home business if the development permits are ultimately approved by the City.

The primary issue regarding this General Plan Amendment request is the impact the potential amendment for higher density and subsequent related applications will have on the development character of the existing neighborhood.

A survey of the surrounding General Plan and Zoning designations show a consistent pattern of 7-14 units per acre. This includes a majority of parcels on

North Sunnyvale Avenue and the industrial to residential conversion site (Northrop-Grumman) to the west. In contrast to this pattern, the subject site would be the only parcel in the area with a higher density General Plan designation.

There are two parcels on this block currently developed with higher density projects, although their General Plan designations are Residential Low-Medium density. The first is the apartment building (two parcels south of the subject site), which is a 41 unit building and built in 1970 (36 units per acre). The second is the L shaped parcel north of the subject site and is a nine unit project build in 1962 (18 units per acre).

The applicant cites the following reasons why the proposal is a benefit to the City:

- Neighborhood is currently mixed-use with a 41-unit apartment building on the street.
- The change would make better use of this well located land and help the City achieve its housing goals.
- More units would generate additional property taxes for the City.
- This site is part of a higher density, walkable, transit corridor near Sunnyvale's Downtown area.

If the City Council chooses to initiate the requested General Plan Amendment Study, consistency with the General Plan sub-elements such as Housing and Community Revitalization and Land Use and Transportation will be evaluated. At a minimum, the study will examine the following:

- Consider the appropriateness of medium density residential on North Sunnyvale Avenue.
- Evaluate noise and traffic impacts to the existing neighborhood.

ENVIRONMENTAL STATUS

This action is not considered to be a project under the California Environmental Quality Act (CEQA) because the initiation of a General Plan Amendment study has no possibility of creating a significant environmental impact. (See CEQA Guidelines Article 5, Section 15601(b)(3)) Appropriate environmental review will be conducted if the General Plan Amendment study is initiated and prior to any recommended action to change or modify the site's General Plan or Zoning Designation.

FISCAL IMPACT

There is no fiscal impact to the City to either initiate or deny a General Plan Amendment Initiation study. If Council initiates the study, the applicant will be required to pay all appropriate fees to cover the staff costs of preparing the study. Should subsequent applications be filed for this project, the appropriate fees will also be required for the processing of those applications.

PUBLIC CONTACT

Notification of the City Council meeting for this item is part of the standard agenda publication. Property owners in the vicinity of the project site are not sent notices regarding General Plan Amendment initiation hearings. A copy of the agenda and staff report have been provided to the applicant as well as posted on the City of Sunnyvale website and provided at the reference section of the Sunnyvale Library.

CONCLUSION

The property owner proposes that the General Plan designation be changed from Residential Low-Medium Density to Residential Medium Density in order to allow subdivision of the lot into a greater number of multi-family units. Under the existing General Plan designation, the allowed density range is 7-14 units per acre, or a maximum of 11 units. The proposed General Plan designation would allow a density range of 14-27 units per acre, or a maximum of 22 units.

ALTERNATIVES

1. Deny the request for the initiation of the General Plan Amendment study for the subject site from Residential Low-Medium Density to Residential Medium Density.
2. Authorize the initiation of the General Plan Amendment study for the subject site.
3. Authorize the initiation of the General Plan Amendment study for all five parcels on the eastern side of North Sunnyvale Avenue currently designated as Residential Low-Medium Density, which includes the subject parcel and two parcels to both the north and the south.

RECOMMENDATION

Staff recommends Alternative #1; deny the requested General Plan Amendment Initiation. Staff finds that the proposal would lead to a spot zoning situation

which would not be consistent with the existing land use and General Plan pattern of the neighborhood. It would be the only Medium Density designated parcel on Sunnyvale Avenue or the surrounding area. Although there are two parcels currently developed with higher densities, they are older developments and they are not the predominant density pattern in the neighborhood. These parcels' General Plan designations are Residential Low-Medium density, so if they redevelop, they would be brought into conformance with the maximum density allowed under the current Low-Medium Density. Recently developed property to the south (four townhomes) is at 12 units per acre, and an historic home (3,000 s.f.) to the north is at two units per acre.

If the Council determines to proceed with the General Plan Amendment, staff recommends Alternative #3. Under this alternative, the five parcels on the eastern side of North Sunnyvale would be studied for a Residential Medium Density designation, which includes the subject parcel and two parcels to both the north and the south. This would create a more uniform and contiguous General Plan and Zoning pattern and avoid potential spot zoning.

Reviewed by:

Trudi Ryan

Planning Officer

Prepared by: Steve Lynch, Project Planner

Reviewed by:

Robert Paternoster

Director, Community Development

Approved by:

Amy Chan

City Manager

Attachments

- A. Letter of request from applicant
- B. General Plan land use map
- C. Zoning map

Attachment A

Letter of request from Applicant

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ATTACHMENT A
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Distribution:

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RECEIVED

JUL 17 2006

PLANNING DIVISION

Re: Possible general plan amendment for property at 174 N. Sunnyvale Ave., APN 204-48-005

July 8, 2006

Dear City Representatives:

I am writing regarding a possible general plan amendment for the above noted property from low-density residential to medium-density residential (R2 to R3). At this time, I currently own and operate Wyant & Smith Funeral Home at this location. However, I am now approaching retirement age, and am considering other options for this property. One option that I am considering is the construction of condominium homes. If we were to achieve the above noted general plan amendment, I would like to build 19 or 20 very attractive two story townhouses on the site.

As we go forward with our research, please keep in mind that the neighborhood is already mixed use. There is a 42 unit apartment complex two doors away, as well as an assortment of townhouses and condominiums across the street. Additionally, we have industrial property directly behind us, and numerous small businesses and single family homes in the immediate vicinity.

Our goal in this research is to make better use of this well-located land. The current application does not generate the same sales tax revenue or property tax revenue that could be generated by other applications. Additionally, there is a general trend within the county and state to encourage walkable communities and higher density housing in transit corridors. As we are within easy walking distance of both the Sunnyvale Caltrain station and downtown Sunnyvale, we feel that a condominium application will be consistent with these trends.

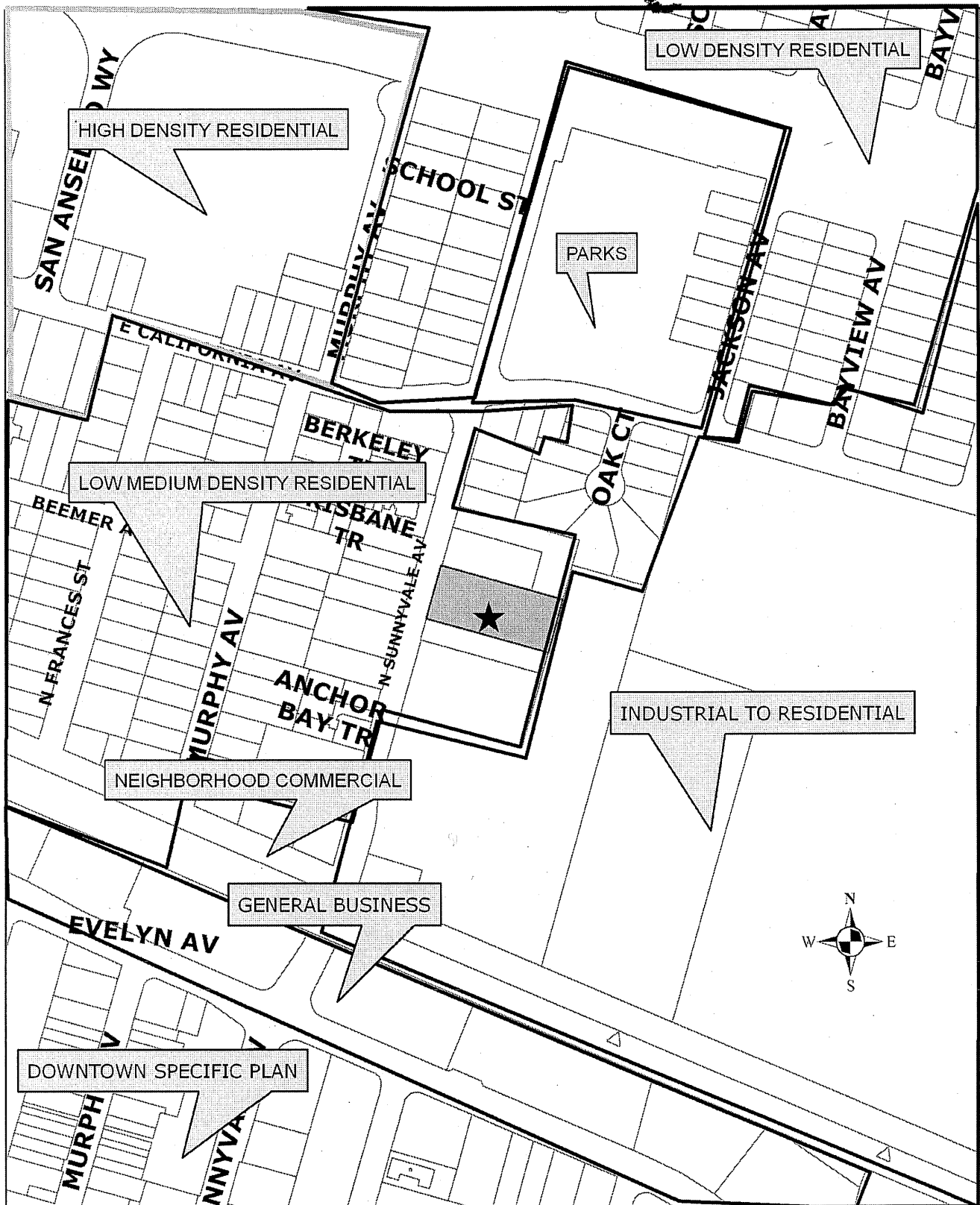
I now ask for your support as we pursue this possibility. Please consider the benefits for the City, the neighborhood, and the region as you review any future. I value the commitment that you have all made to community service. You are welcome to contact me at any time regarding this subject. Thank you for your consideration in this matter.

Sincerely,

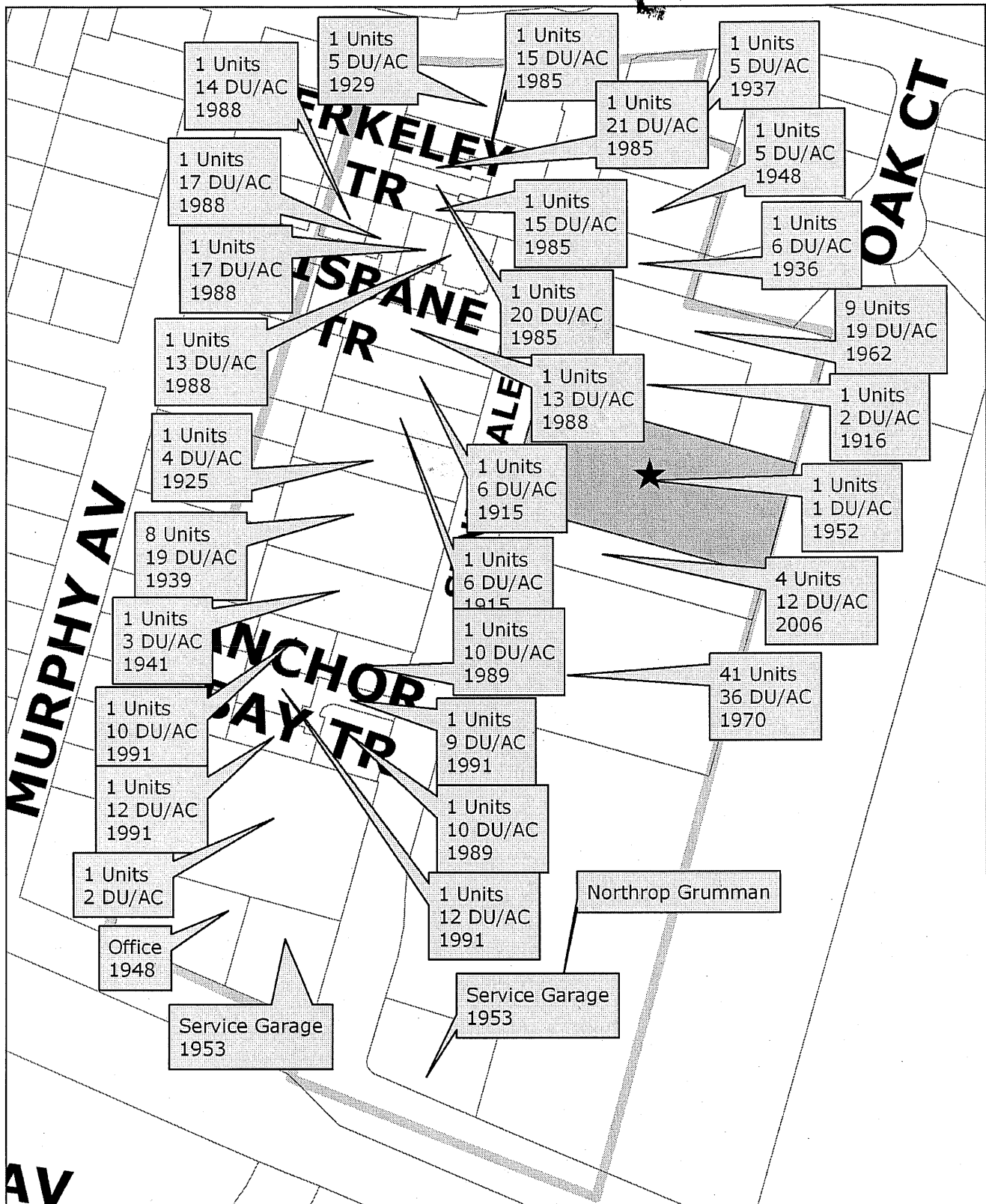

Dick Smith

Attachment B

General Plan land use map



**174 N Sunnyvale Ave
General Plan Amendment Initiation**



174 N Sunnyvale Ave
General Plan Amendment Initiation

Attachment C

Zoning map

